

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:

4118

Author:

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Department:

Development and Growth

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Subject:

Education and Skills Funding Agency - Adult Education Budget 2020/21

Total Value:

£580,614 (Type: Revenue)

Decision Being Taken:

- 1) To enter into a funding agreement with the Education and Skills Funding Agency (ESFA) for the Adult Education Budget (AEB), and accept the award of £580,614 over the 2020/21 academic year.
- 2) To extend the four existing delivery sub-contractors by another year, as set out in the current contract.
- 3) To offer a direct contract award to Right Track at an additional £20,000 (£10,000 for LOT 2 and £10,000 for LOT 5).
- 4) To authorise dispensation from Contract Procedure Rule 4.1.1, in accordance with Financial Regulation 3.29, to award a contract for £54,000 to The Second Chance Learning Academy for the delivery of eight 'Equipped 2 Succeed' courses.
- 5) To tender £37,500 of the Community Learning Budget through a competitive tender exercise to support the rollout of the Digital Poverty Project.
- 6) To tender £37,000 of the Adult Skills Budget to support qualification based programmes, through a competitive tender exercise.
- 7) To allocate £50,000 to the Council Library Service for the continuation of design, implementation and delivery of Community and Family Learning online over 2020/21.
- 8) To approve a budget allocation of £166,115 to support the central staffing costs of the team, to ensure that the Council meets ESFA contractual requirements. This includes staffing, marketing, management information systems and continuing professional development of subcontractors.
- 9) To approve the ESFA Supply Chain Fees and Charges Policy 2020/21.
- 10) To delegate authority to the Director of Economic Development to administer the funds, in accordance with the ESFA funding rules, and to award and sign the outcomes of the tendering exercises.

Over the last 17 years, the Council has held a contract with the ESFA for the delivery of family learning provision, through the ESFA Adult and Community Learning contract. In May 2019, the ESFA increased the Council's grant allocation to £580,614 for the delivery of Community and Family Learning and Adult Skills within the Nottingham City boundaries. Family learning supports parents, grandparents, carers and other family members to be an active part of their children's learning, as well as becoming learners themselves. Community learning targets unemployed adults, those on low income with low skills and from disadvantaged communities. The programme aims to support widening participation by improving health, confidence and social wellbeing, and improving skills such as financial literacy and communication, preparing people for training, and employment.

In order to support the Council's commitment to reduce unemployment, there is an aspiration to increase the skills levels of its residents. Both Community and Family Learning play a valuable role in engaging those individuals who have no qualifications and are furthest away from the labour market into first steps learning. The funding provided works on an annual cycle and must be spent by the end of July 2021. Not spending this allocation could result in any future allocations being significantly reduced. The proposed breakdown of budget is as follows:

1) Enter into a funding agreement with the Education and Skills Funding Agency (ESFA) for the Adult Education Budget (AEB), and accept the award of £580,614 over the 2020/21 academic year.

2) Commission £225,000 Community and Family Learning funding in line with the full procurement exercise that took place in July 2019 (note that the extension of contracts was subject to the Council receiving ESFA funding, which gave the Service the opportunity to extend the contracts plus 1, plus 1, plus 1 year. Funding was allocated by LOTS and will be aligned to Council Plan priorities.

3) Increase Right Track's contract by £20,000. This includes £10,000 in LOT 2 (Employability) and £10,000 in LOT 5 (Community Learning). This is due to unforeseen circumstances with Nottingham College's termination of their contract with the Council, due to the impact of Coronavirus. The ESFA funding needs to be delivered and spent by July 2021, so giving Right Track £20,000 is suitable as they have capacity to deliver more and have previous Community and Family Learning experience.

4) Offer a direct award to The Second Chance Academy for eight 'Equipped 2 Succeed' courses, aimed at Care Leavers and the Youth and Community hubs. The academy has historically successfully delivered for the Employment and Skills Team. This is a bespoke course with excellent outcomes, including progression.

5) Because of the impact of Coronavirus, the Service is adapting to the needs of citizens and aligning the Community and Family Learning Budget to the Digital Poverty Project. This will involve every targeted citizen receiving a laptop and connectivity, and mandating them to attend a short Community Learning programme of approximately 12 hours where they will be taught basic IT skills. This will enable them to get full use from the IT equipment and ensure online safety.

6) For the first year, the Service have been offered an ESFA Adult Skills Budget. The team are currently undertaking a needs analysis on gaps in qualifications to ensure best use of this funding. Therefore, an additional £37,000 will also be tendered through a three-quote exercise to support up to level 2 qualification for citizens.

**7) Award the Council Library Service a £50,000 funding allocation to continue to develop and deliver online targeted learning opportunities in city libraries over the 2020/21 academic year. The programme offer will focus on Health and Wellbeing; Science, Technology, Engineering and Maths; English and Maths; and Employability. The Library Service will have a target to enrol a minimum 240 learners. In 2019/20, the library service undertook the purchase and development of an online learning platform. The continuation of this funding will enable the further development and roll-out of basic skills programmes.**

**8) The core central costs will including Council staffing, management and information, marketing, and continued professional development of subcontractors' tutors. This will enable the Council to contract manage the provision and meet ESFA contractual requirements.**

**9) ESFA Supply Chain Fees and Charges Policy is a mandatory contractual requirement.**

<b>Briefing notes documents:</b>	Education and Skills Funding Agency_LOTS.pdf, Supply Chain Fee & Charges policy_Nottingham City 2012_21 V1.pdf
<b>Other Options Considered:</b>	Not entering into this agreement with the ESFA was rejected, as it would mean a loss of £580,614 grant funding for Nottingham citizens, which would impact approximately 1,300 citizens, resulting in many individuals not receiving training to support their children's learning and development, as well as their own subject knowledge in English, Maths, ICT and emotional literacy.
<b>Background Papers:</b>	None
<b>Published Works:</b>	Delegated Decision 3651 - Education & Skills Funding Agency - Adult Education Contract 2019/20 ( <a href="https://committee.nottinghamcity.gov.uk/ieDecisionDetails.aspx?ID=4988">https://committee.nottinghamcity.gov.uk/ieDecisionDetails.aspx?ID=4988</a> )
<b>Affected Wards:</b>	Sherwood
<b>Colleague / Councillor Interests:</b>	None
<b>Dispensation from Financial Regulations:</b>	Yes
<b>Consultations:</b>	Those not consulted are not directly affected by the decision.
<b>Crime and Disorder Implications:</b>	Community and Family Learning provision encourages families and the wider community to be active members within their community and to be responsible citizens.
<b>Equality:</b>	EIA not required. Reasons: The decision does not represent a new or changing policy, service or function.
<b>Social Value Considerations:</b>	Not applicable
<b>Decision Type:</b>	Portfolio Holder
<b>Subject to Call In:</b>	Yes
<b>Call In Expiry date:</b>	18/02/2021

**Advice Sought:****Legal, Finance, Procurement****Legal Advice:**

**This report seeks authority to accept grant funding from the Education and Skills Funding Agency (ESFA) and to allocate and defray that funding as set out in the report. The City Council must ensure that it complies with the terms of the grant funding agreement with the ESFA. The City Council must ensure that a direct award is permissible under the terms of the ESFA grant or otherwise seek consent from ESFA. It is understood from discussions with the report author that the contracts that are to be extended include options to extend the term. All other contract awards are below the relevant financial threshold in the Public Contracts Regulations and so may be awarded via a quotation exercise and the dispensation can be supported for the reasons set out in this report.**

**Advice provided by Andrew James (Team Leader, Contracts and Commercial) on 11/12/2020.**

**Finance Advice:**

**This decision requests approval to receive and spend £581,000 from the Education and Skills Agency (ESFA). The decision also seeks dispensation from Contract Procedure Rule 4.1.1, in accordance with Financial Regulation 3.29, for a direct award of £54,000 to Second Chance Learning Academy. Benchmarking activities were carried out, which found the value of working with this supplier to be in line with national benchmarks.**

**The grant funding relates to the period August 20 to July 21 and is expected to be received in monthly instalments in advance, the service will need to liaise with finance to ensure the relevant year-end adjustments are completed to accrue the relevant amounts into the following year.**

**The project is fully funded by the ESFA and does not require any financial commitment from the Council. A project manager role has been assigned to the project to monitor and ensure contractual commitments are met and to mitigate the risk of grant claw back.**

**To carry out the project, a variety of staff roles are required, £160,000 of the funding has been allocated to support the resultant staffing costs. The majority of the required staffing will be resourced from existing sources, however, a new Admin Officer post will need to be appointed. To reduce the risk of any unfunded staffing costs, this post will need to be appointed on a fixed-term contract up to July 2021.**

**The grant is a yearly allocation, see delegated decision 3651 for details of the previous allocation.**

**Advice provided by Chanelle Poyser (Commercial Business Partner) on 04/01/2021.**

**Procurement Advice:**

**Dispensation from Contract Procedure Rule 4.1.1, in accordance with Financial Regulation 3.29 (operational issues) is supported by Procurement in order for a direct award of £54,000 to the Second Chance Learning Academy for the delivery of 8 Equipped To Succeed courses, a bespoke programme with successful outcomes. The value falls below the EU procurement threshold and this decision is supported by Procurement Team.**

**The tender for a provider to support the rollout of the Digital Poverty Project and a tender to support qualification based programmes will be managed by the Procurement Team.**

**Advice provided by Julie Herrod (Procurement Officer) on 11/12/2020.**

**Signatures**

<b>Neghat Khan (PH Employment and Community Protection)</b>
<b>SIGNED and Dated: 10/02/2021</b>
<b>Chris Henning (Corporate Director for Development and Growth)</b>
<b>SIGNED and Dated: 09/02/2021</b>
<b>Clive Heaphy (Chief Finance Officer) - Dispensation from Financial Regulations</b>
<b>SIGNED and Dated: 07/02/2021</b>
<b>Chief Finance Officer's Comments:</b>